

Cost Transparency in Maine

- Active multi-stakeholder quality and safety public reporting initiative since 2003
- Over 10 years trying to reach consensus on how to report cost
- Purchasers finally developed their own approach for use in tiering programs
- Tension between cost measurement and emerging payment models
- Agreement to use total cost measurement to enable global payment

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Compare Hospital Ratings

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See how your selected Hospitals compare for Quality ratings:

Low

Good

Better

Best

[Where do these ratings come from?](#)

Maine Medical Center
22 Bramhall Street
Portland, ME 04102
(207) 662-0111
[See details](#)

Mercy Hospital
144 State Street
Portland, ME 04101
(207) 879-3000
(800) 293-6583
[See details](#)

Southern Maine Medical Center
One Medical Center Drive
Biddeford, ME 04005
(207) 283-7000
[See details](#)

Mid Coast Hospital
123 Medical Center Drive
Brunswick, ME 04011
(207) 729-0181
[See details](#)

Hospitals ratings for your selected hospitals:

Effective

Provides the care that experts recommend

		Maine Medical Center	Mercy Hospital	Southern Maine Medical Center	Mid Coast Hospital
Heart Attack Care	Ratings explained	Better	Good	Good	Best
Heart Failure Care	Ratings explained	Good	Better	Better	Best
Pneumonia	Ratings explained	Good	Low	Better	Better

Safe

Has systems to prevent medical errors

		Maine Medical Center	Mercy Hospital	Southern Maine Medical Center	Mid Coast Hospital
Preventing Surgical Infection	Ratings explained	Better	Better	Better	Best
Medication Safety	Ratings explained	Best	Best	Best	Best
National Safe Practice Score	Ratings explained	Better	Better	Better	Better

Patient Satisfaction

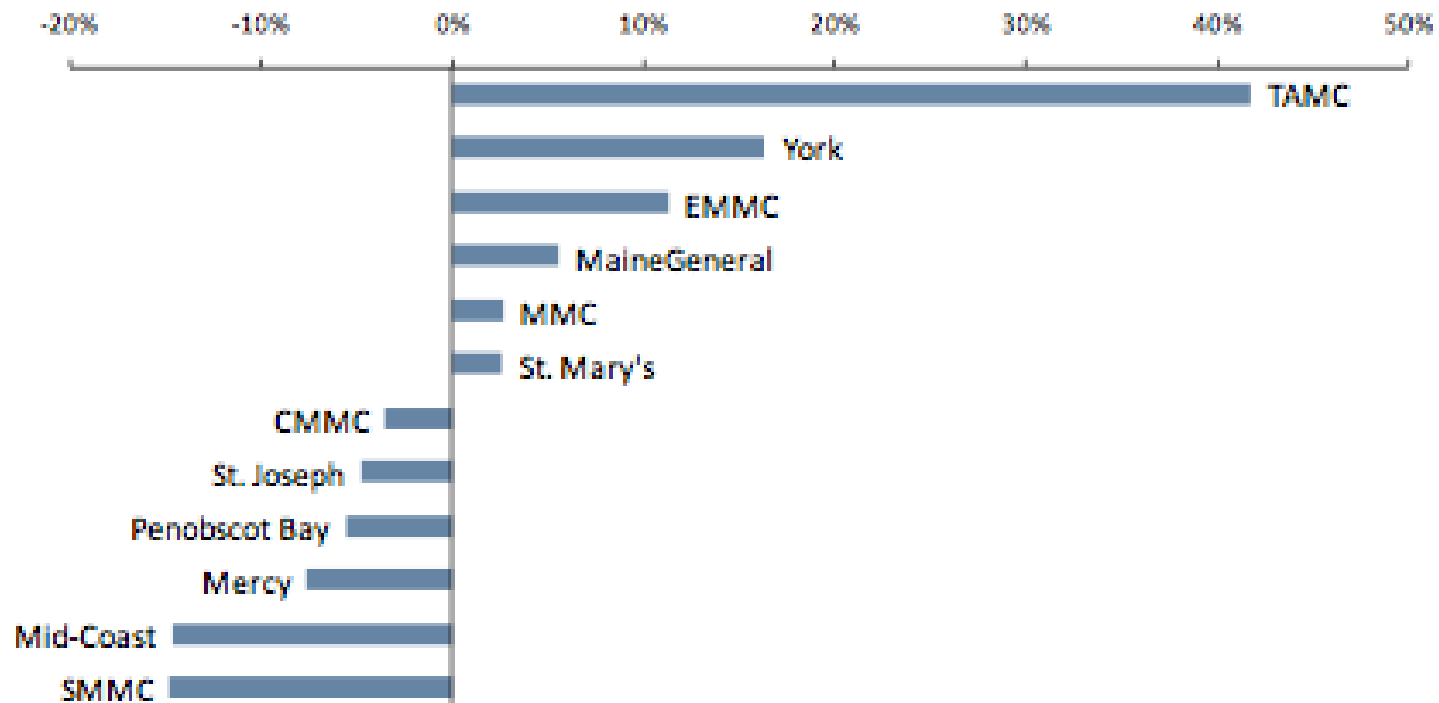
What patients say about this hospital

		Maine Medical Center	Mercy Hospital	Southern Maine Medical Center	Mid Coast Hospital
Overall Experience	Ratings explained	Better	Better	Low	Good
Would Recommend to Others	Ratings explained	Better	Better	Better	Better

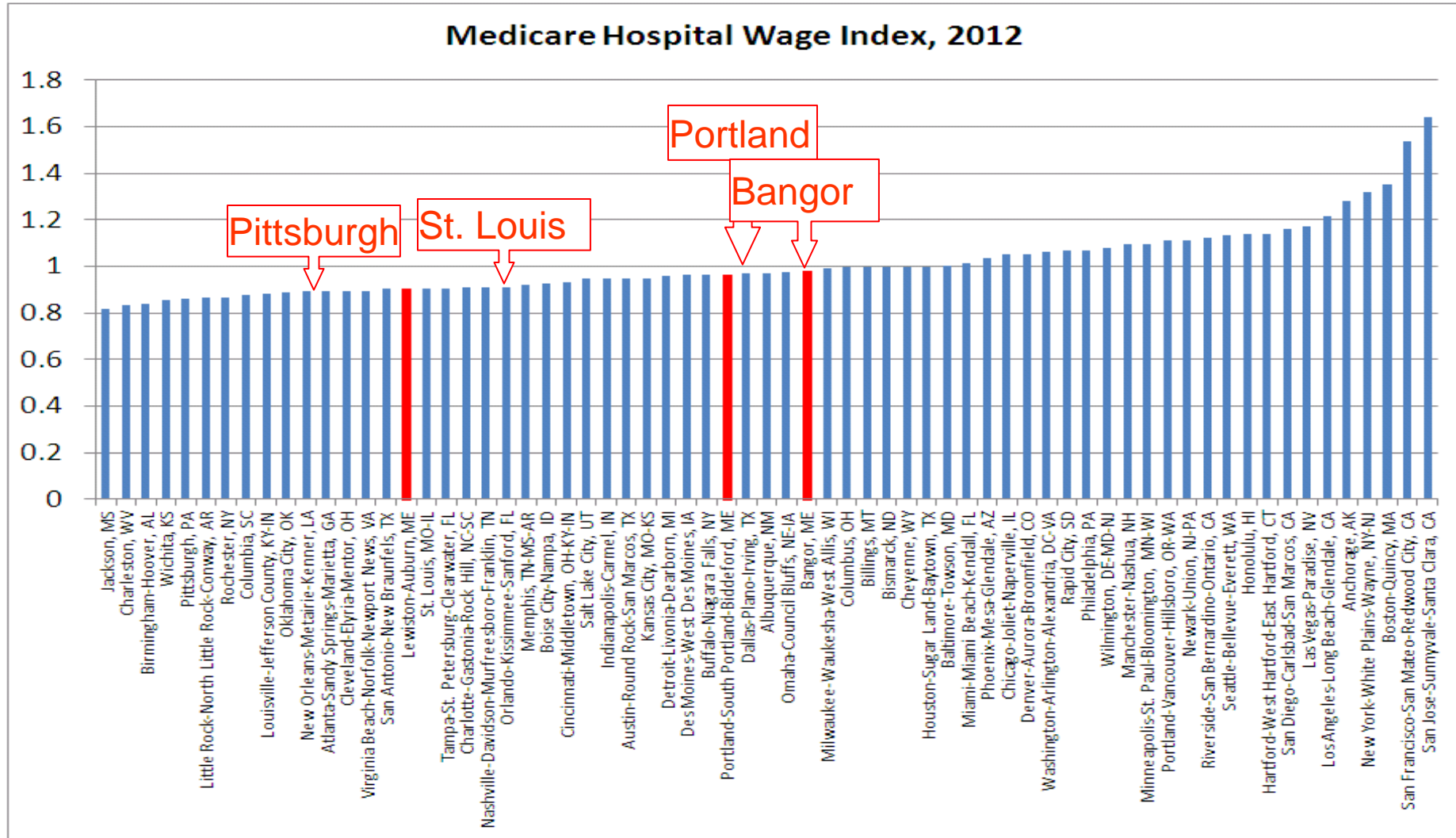
[Would you like us to ask your doctor or hospital to report?](#)

Cost Variation

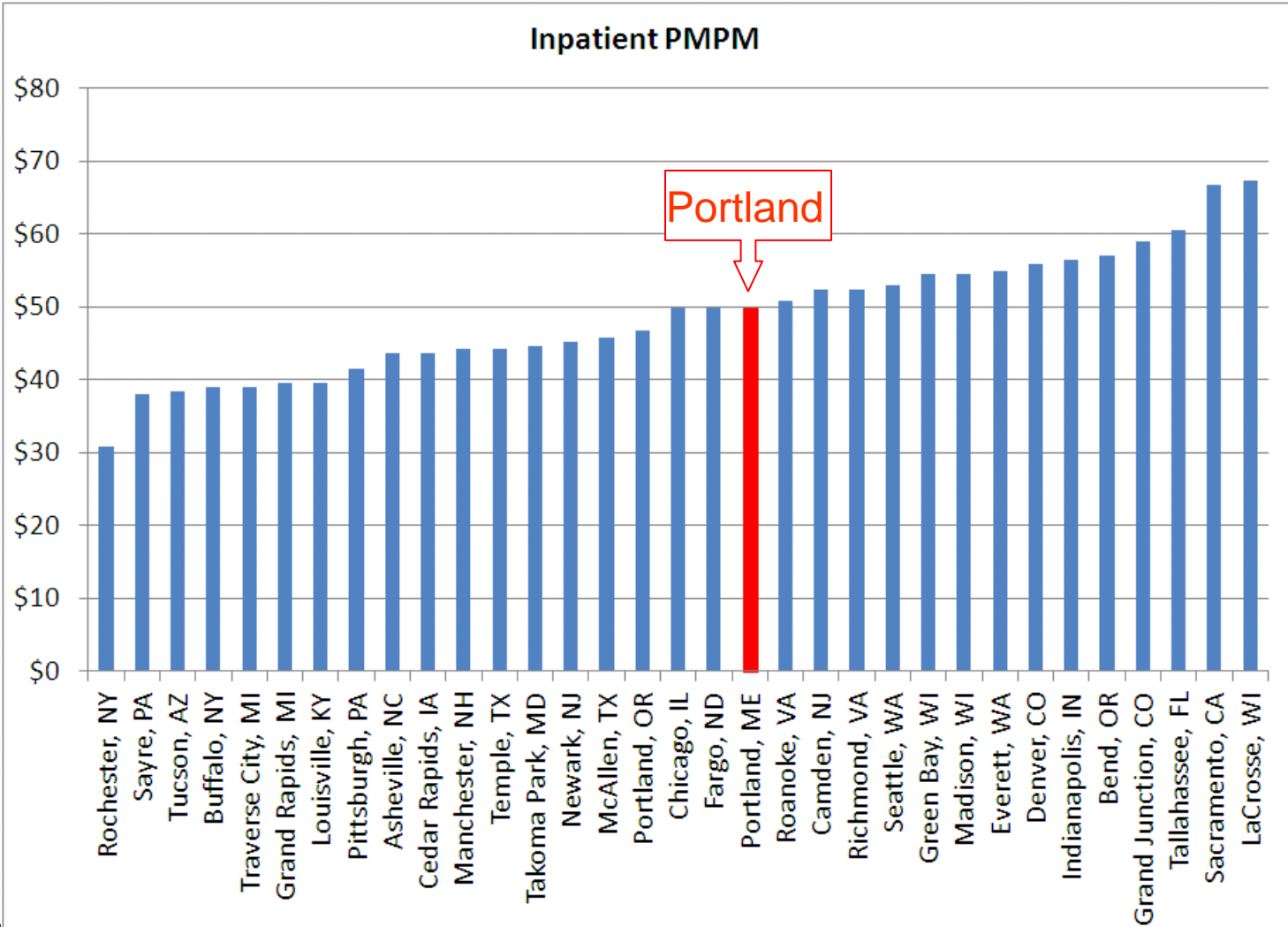
Figure 2. Large Maine Hospitals (Level 2). Mix-Adjusted Average Payment Variance for Inpatient & Outpatient Level 1 and Level 2 Services. 2010 Commercial Claims Data.



Medicare Hospital Reimbursement in Most of Maine Is Average in U.S.

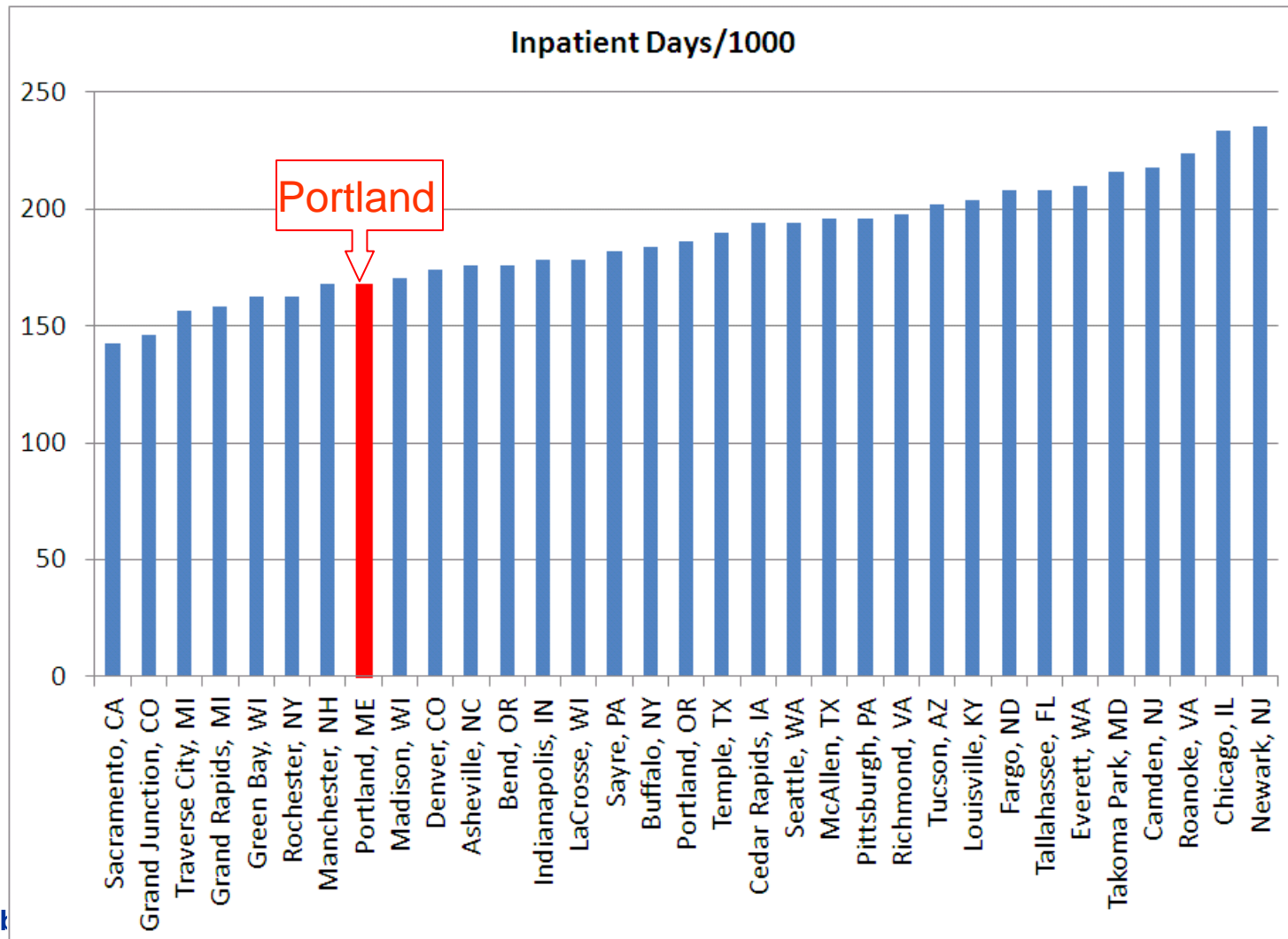


Inpatient Spending Is About Average But Could Be Much Lower



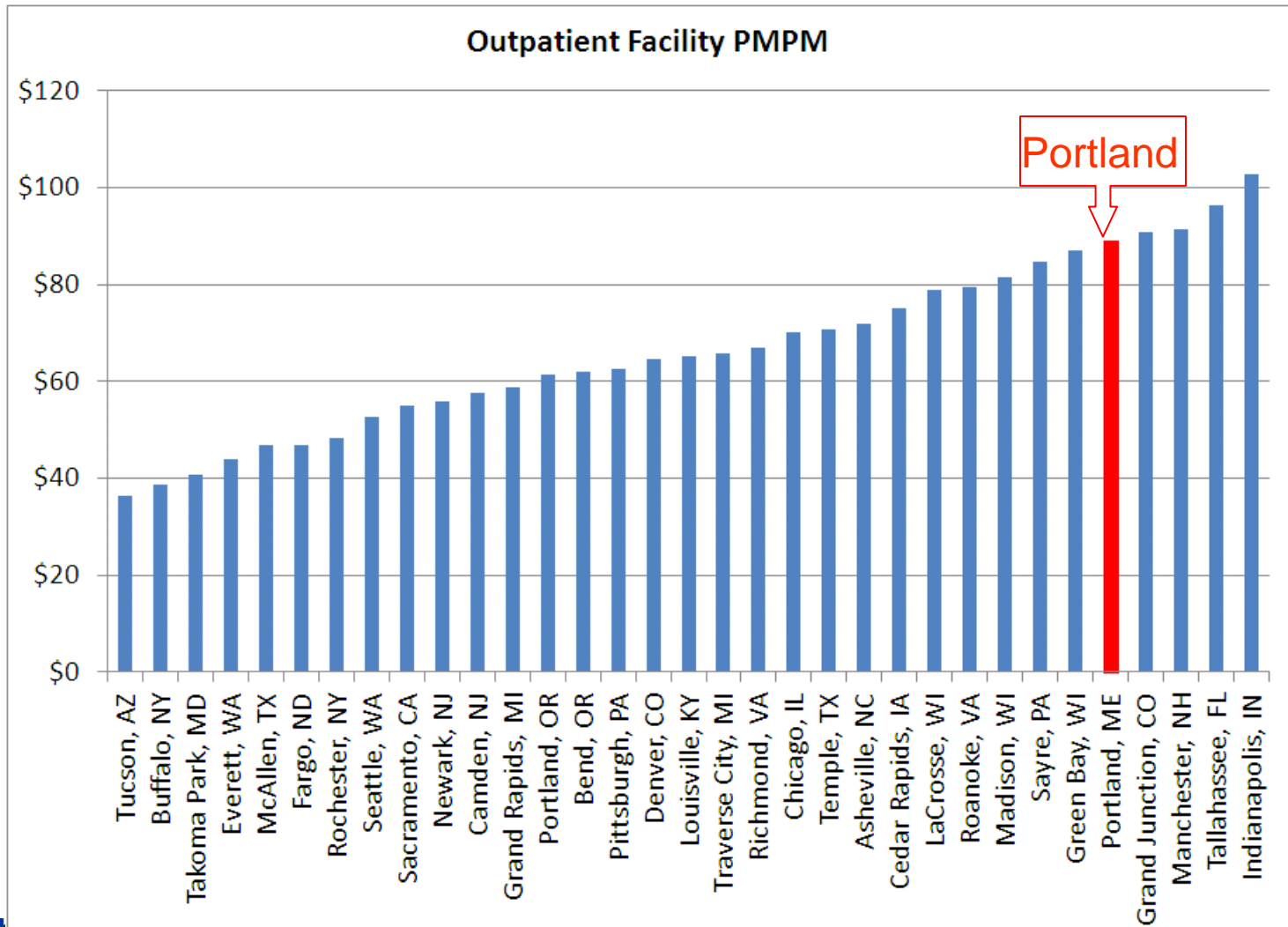
Source:
Commercial
Cost
Variation
by
Hospital
Referral
Region,
Milliman
August 2010

But Inpatient Utilization Is Low, Meaning Cost/Day is Higher



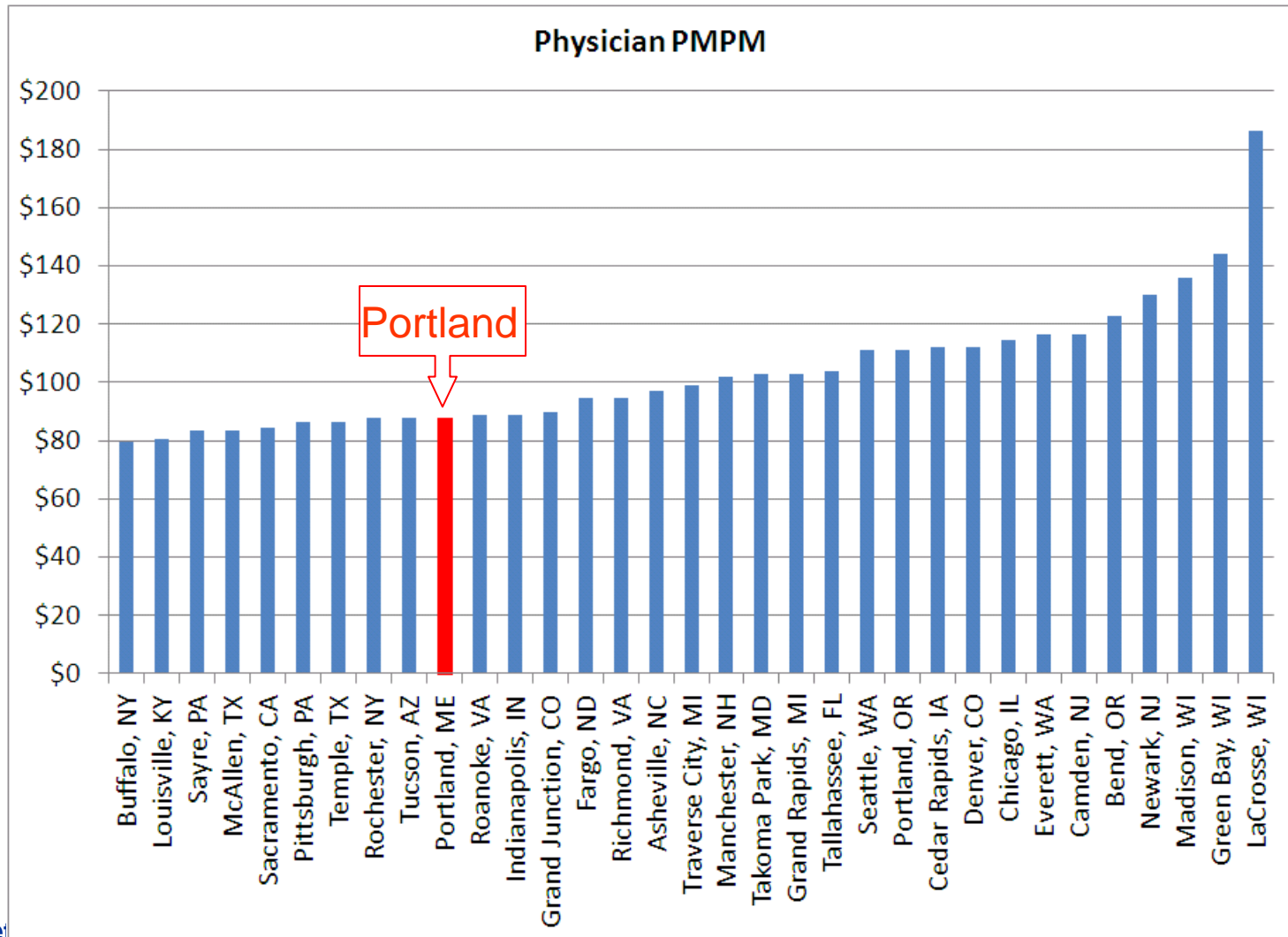
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Commercial
Cost
Variation
by
Hospital
Referral
Region,
Milliman
August 2010

Outpatient Spending Is Well Above Average



Source:
Commercial
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by
Hospital
Referral
Region,
Milliman
August 2010

Spending on Physicians is Below Average



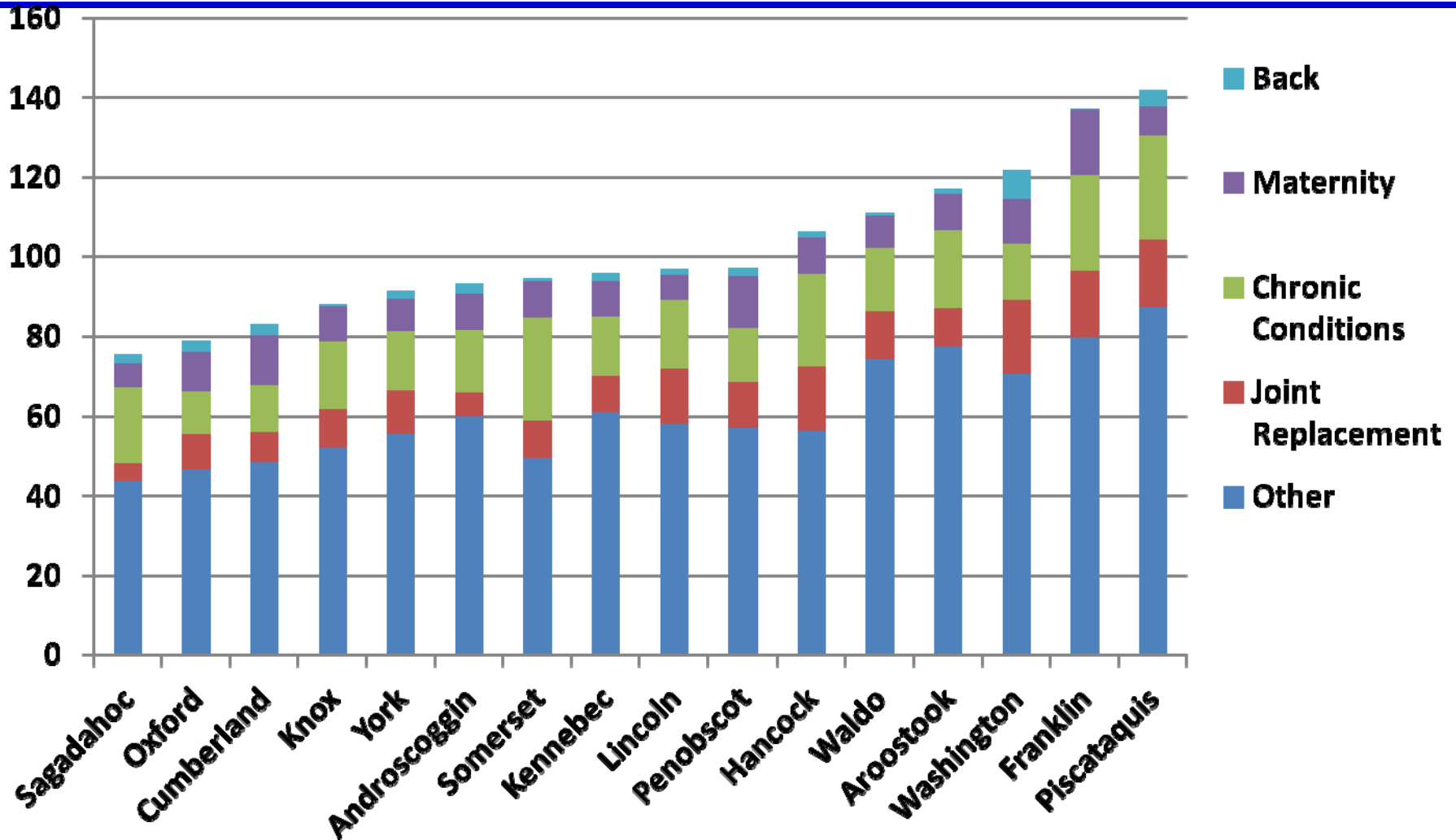
Source:
*Commercial
 Cost
 Variation
 by
 Hospital
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Case Mix Adjusted Price per Admit

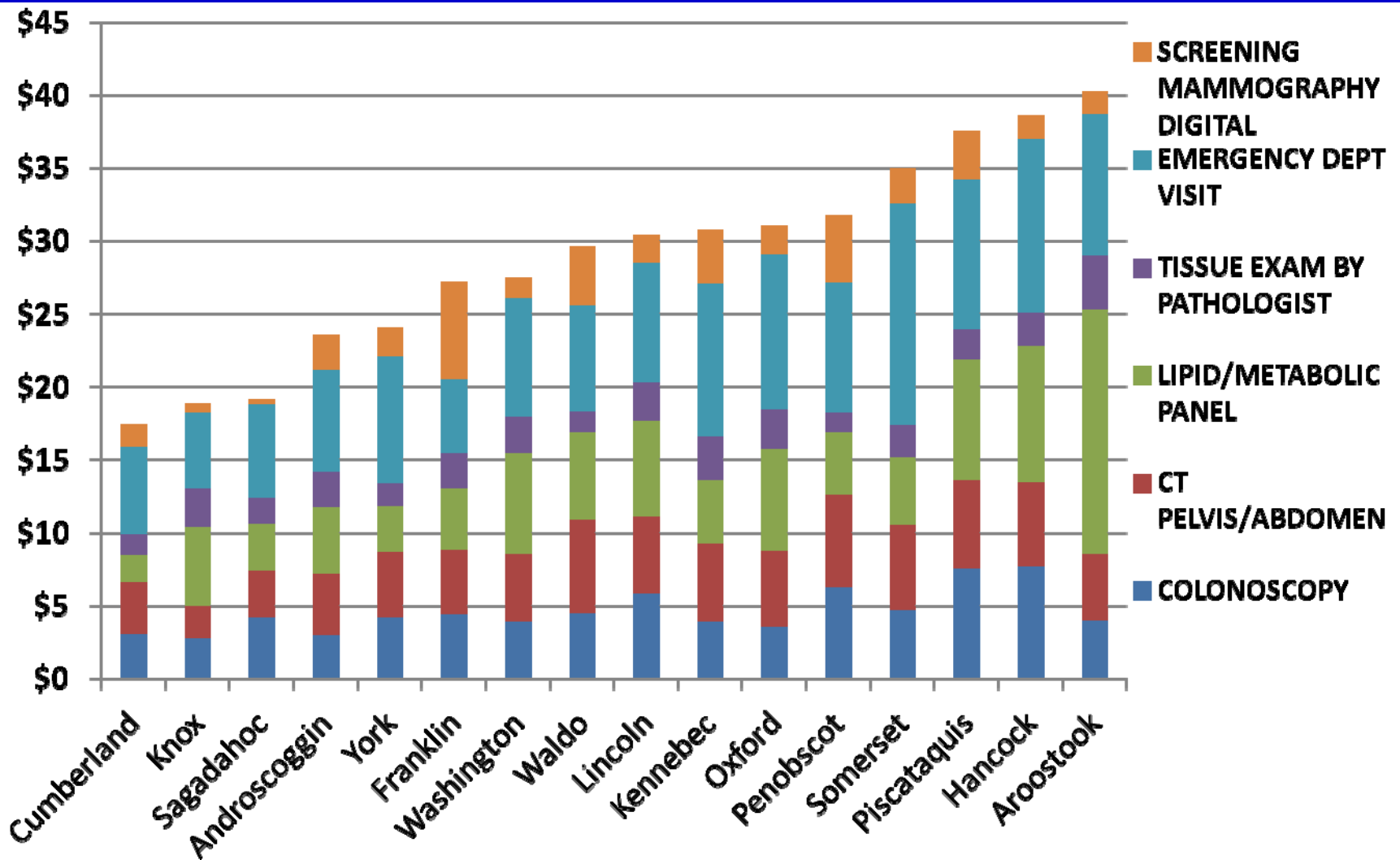
Knox	\$11,446
Sagadahoc	\$11,567
Oxford	\$11,870
York	\$12,704
Kennebec	\$12,795
Lincoln	\$13,062
Cumberland	\$13,307
Androscoggin	\$13,508

Washington	\$14,130
Somerset	\$14,359
Penobscot	\$14,455
Waldo	\$14,828
Hancock	\$15,729
Aroostook	\$16,065
Piscataquis	\$16,687
Franklin	\$16,802

IP \$ PMPM by Category



Top 10 CPT Codes \$ PMPM (30% of Tot OP\$)



Benchmark Comparisons

Service Category	Age/Gender Index		Adj Allowed PMPM	
	Benchmark	MHMC	Benchmark	MHMC
Inpat Fac	1.02	1.14	57	71
OP Fac	1.02	1.14	67	131
Prof	1.02	1.14	116	110
Total	1.02	1.14	240	313

Service Category	Adj Allowed/Service		Adj Serv/1000	
	Benchmark	MHMC	Benchmark	MHMC
Inpat Fac	11,063	15,439	61	49
OP Fac	553	579	1,421	2,381
Prof	79	76	17,334	15,198

Major Conclusions

Morbidity: Significant, but not major factor in regional population cost differences within the state

Inpatient: Price is a major driver on regional population cost differences

Outpatient: Price and utilization are major drivers, across regions and through time.

Within state major drivers confirmed by regional benchmarks.

Identifying Opportunities and Strategies for Win-Win Savings

Health Care Cost Workgroup Questions to Address:

- Is this a desirable opportunity to pursue?
- Does the opportunity vary among regions or among employers?
- What are the barriers and how could they be overcome?
- **What does each stakeholder need to do differently to support success?**
 - Employers/Medicaid
 - Health Plans
 - Hospitals
 - Physicians
 - Consumers/Patients/Families
- What additional information is needed to develop the business case for a win-win-win approach and implement the changes?